AN ACT to amend Tennessee Code Annotated, Title 45, Chapter 12, relative to flex loans.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 45-12-111(f)(1), is amended by deleting the subdivision and by substituting instead the following:

(1) In the event a customer defaults under the terms of a flex loan plan, the licensee may:

SECTION 2. Tennessee Code Annotated, Section 45-12-111(f)(1)(A), is amended by deleting the subdivision and by substituting instead the following:

(A) If the licensee refers the customer's account to an attorney for collection, including a regular salaried employee of the licensee, and the flex loan plan so provides, charge and collect from the customer a reasonable attorney's fee; and

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.